

# Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input type="checkbox"/> Township <input checked="" type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name <b>Village of Woodland</b>	County <b>Barry</b>
Audit Date <b>12/31/05</b>	Opinion Date <b>5/11/06</b>	Date Accountant Report Submitted to State: <b>6/16/06</b>	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☒ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	✓		
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) <b>Walker, Fluke &amp; Sheldon, PLC</b>			
Street Address <b>525 W Apple St</b>	City <b>Hastings</b>	State <b>MI</b>	ZIP <b>49058</b>
Accountant Signature <i>Katherine B. Sheldon, CPA</i>		Date <i>6/16/06</i>	



**WALKER, FLUKE & SHELDON, PLC**  
**CERTIFIED PUBLIC ACCOUNTANTS**

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May 11, 2006

To the Village Council  
Village of Woodland  
Barry County, Michigan

We have recently completed an audit of the financial statements of the Village of Woodland, Barry County, Michigan for the year ended December 31, 2005. During the course of the audit, the following items came to our attention, which require further comment.

**Budgets Should Be Reviewed On A Periodic Basis**

The general appropriations act passed before the beginning of each fiscal year is the legal authority for the Village to spend public moneys. The general appropriations act specifies amounts that may be spent by budget category. The Village does not have legal authority to spend amounts in excess of specific appropriations.

P.A. 621 of 1978, section 18(1), as amended, provides that a local unit of government may not incur expenditures in excess of amounts appropriated. When it appears that more money will be spent than the amount originally appropriated, it is necessary to amend the budget. This can be done at any meeting and does not require a new public hearing. During the year ended December 31, 2005, the Village's actual expenditures exceeded their appropriations in numerous areas.

It is recommended that the Village adopt its budget at the activity level set forth in the Uniform Chart of Accounts. This will allow the Village to move appropriations among line items without requiring amendments. The Village should monitor the expenditures in relation to amounts appropriated on a monthly basis and amend the budget when necessary.

**Cash Balances and Interest Income Should Be Reported in the Appropriate Funds**

During the course of the audit, it was noted that the pooled cash account was reflected entirely in the general fund with corresponding liabilities to the other funds. In addition, interest income on pooled money was not being allocated among the different funds making up the money.

According to generally accepted accounting principles, local units of government are permitted to combine the cash of several funds into one common cash account. However, the clerk's and treasurer's records must clearly reflect the portion of the deposit belonging to each separate fund, and interest earned must be prorated among the participating funds.

It is our recommendation that the Village record each fund's cash balance within the proper fund. In addition, the Village should prorate the interest earned on commingled funds to the respective funds at the time the interest is earned in the accounts.

**Segregation Of Duties**

During the audit, it was noted that the treasurer was posting and maintaining the general ledger.

The clerk is responsible for maintaining the Village's detailed accounting records utilizing the uniform chart of accounts prescribed by the state treasurer. MCL 64.5 through 64.8 requires the Village clerk to have charge of all necessary documents relating to the Village accounts, debts, contracts, and revenues. The clerk is required to prepare a financial report containing detailed statements of the receipts, expenditures, and financial condition of the Village, the debts to be paid, and money necessary to meet estimated expenses. These records should be balanced monthly with the treasurer records to ensure adequate internal controls are being maintained.

It is recommend that the Village segregate the duties being performed by the treasurer to enhance internal controls.

We would like to take this opportunity to thank the Village of Woodland Council for the cooperation and courtesy extended to us during the audit. If you have any questions or need assistance, do not hesitate to contact us.

Walker, Fiske & Shields, PLLC

**VILLAGE OF WOODLAND**  
**FINANCIAL STATEMENTS**  
For the year ended December 31, 2005

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**INDEPENDENT AUDITORS' REPORT**

To the Village Council  
Village of Woodland  
Barry County, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Village of Woodland, Barry County, Michigan, as of and for the year ended December 31, 2005, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Village of Woodland, Barry County, Michigan's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Village of Woodland, Barry County, Michigan, as of December 31, 2005, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in the Notes, the Village adopted Governmental Accounting Standards Board Statement Number 34 during the current year. As a result, these financial statements present entirely new financial information. Governmental activities report information by individually significant fund, as well as in total on the full accrual basis of accounting.

The required supplementary information listed in the table of contents are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The accompanying financial statements do not present a management's discussion and analysis, which would be an analysis of the financial performance for the year. The Governmental Accounting Standards Board has determined that this analysis is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Village of Woodland's basic financial statements. The accompanying additional supplementary information listed in the table of contents is presented for purposes of additional analysis and are not a required part of the basic financial statements of Village of Woodland, Barry County, Michigan. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Hastings, Michigan  
May 11, 2006

*Walker, Fluke & Sheldon, PLLC*

**VILLAGE OF WOODLAND**  
**GOVERNMENT-WIDE STATEMENT OF NET ASSETS**  
**DECEMBER 31, 2005**

<b>ASSETS</b>	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Cash and Cash Equivalents	\$ 287,962	\$ -	\$ 287,962
Investments	-	13,513	13,513
Receivables (Net)			
Taxes - Delinquent	10,094	-	10,094
Accounts	-	356	356
Due From State	22,824	-	22,824
Due From Other Funds	16,994	-	16,994
Internal Balances	(7,200)	7,200	-
Capital Assets (Net of Accumulated Depreciation)	<u>266,482</u>	<u>-</u>	<u>266,482</u>
<b>Total Assets</b>	<u><b>597,156</b></u>	<u><b>21,069</b></u>	<u><b>618,225</b></u>
<b>LIABILITIES</b>			
Accounts Payable	14,422	-	14,422
Accrued Liabilities	2,283	-	2,283
Due to Other Funds	<u>16,994</u>	<u>-</u>	<u>16,994</u>
<b>Total Liabilities</b>	<u><b>33,699</b></u>	<u><b>-</b></u>	<u><b>33,699</b></u>
<b>NET ASSETS</b>			
Net Assets			
Invested in Capital Assets, Net of Related Debt	266,482	-	266,482
Restricted	-	-	-
Unrestricted	<u>296,975</u>	<u>21,069</u>	<u>318,044</u>
<b>Total Net Assets</b>	<u><b>\$ 563,457</b></u>	<u><b>\$ 21,069</b></u>	<u><b>\$ 584,526</b></u>

The Notes to Financial Statements are an integral part of this statement.

**VILLAGE OF WOODLAND**  
**GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**  
**December 31, 2005**

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Functions/Programs	Expenses	Program Revenues	Net (Expense) Revenue and Changes in Net Assets		Total
		Charges for Services	Governmental Activities	Business-Type Activities	
<b>Primary Government</b>					
Governmental Activities					
Legislative	\$ 11,249	\$ -	\$ (11,249)	\$ -	\$ (11,249)
General Government	8,473	-	(8,473)	-	(8,473)
Public Works	54,222	-	(54,222)	-	(54,222)
Recreational and Cultural	21,129	-	(21,129)	-	(21,129)
Streets and Highways	23,697	-	(23,697)	-	(23,697)
Other	29,841	-	(29,841)	-	(29,841)
Total Governmental Activities	<u>148,611</u>	<u>-</u>	<u>(148,611)</u>	<u>-</u>	<u>(148,611)</u>
Business-type Activities					
Water	418	1,593	-	1,175	1,175
Total Business-type Activities	<u>418</u>	<u>1,593</u>	<u>-</u>	<u>1,175</u>	<u>1,175</u>
Total Primary Government	<u>\$ 149,029</u>	<u>\$ 1,593</u>	<u>(148,611)</u>	<u>1,175</u>	<u>(147,436)</u>
General Revenues					
Taxes and Penalties			90,403	-	90,403
Licenses and Permits			633	-	633
State Grants			83,699	-	83,699
Interest and Rentals			10,450	446	10,896
Other Revenue			12,686	-	12,686
Total General Revenue			<u>197,871</u>	<u>446</u>	<u>198,317</u>
Change in Net Assets			49,260	1,621	50,881
Net Assets-Beginning			<u>514,197</u>	<u>19,448</u>	<u>533,645</u>
Net Assets-Ending			<u>\$ 563,457</u>	<u>\$ 21,069</u>	<u>\$ 584,526</u>

The Notes to Financial Statements are an integral part of this statement.



**VILLAGE OF WOODLAND**  
**GOVERNMENTAL FUND BALANCE SHEET**  
**December 31, 2005**

<b>ASSETS</b>	<b>General</b>	<b>Major Streets</b>	<b>Local Streets</b>	<b>Parks</b>	<b>Total Governmental Funds</b>
Cash and Cash Equivalents	\$ 202,782	\$ 80,001	\$ 5,179	\$ -	\$ 287,962
Receivables					
Taxes -Delinquent	8,746	-	-	1,348	10,094
Due From State	17,669	3,958	1,197	-	22,824
Due From Other Funds	<u>10,352</u>	<u>-</u>	<u>272</u>	<u>6,370</u>	<u>16,994</u>
Total Assets	<u>\$ 239,549</u>	<u>\$ 83,959</u>	<u>\$ 6,648</u>	<u>\$ 7,718</u>	<u>337,874</u>
<b>LIABILITIES AND FUND BALANCE</b>					
Liabilities					
Accounts Payable	\$ 14,422	\$ -	\$ -	\$ -	\$ 14,422
Accrued Liabilities	2,283	-	-	-	2,283
Due To Other Funds	13,570	7,208	3,416	-	24,194
Deferred Revenue	<u>8,746</u>	<u>-</u>	<u>-</u>	<u>1,348</u>	<u>10,094</u>
Total Liabilities	<u>39,021</u>	<u>7,208</u>	<u>3,416</u>	<u>1,348</u>	<u>50,993</u>
Fund Balances					
Reserved	-	-	-	-	-
Designated	75,841	-	-	-	75,841
Unreserved-Undesignated	<u>124,687</u>	<u>76,751</u>	<u>3,232</u>	<u>6,370</u>	<u>211,040</u>
Total Fund Balances	<u>200,528</u>	<u>76,751</u>	<u>3,232</u>	<u>6,370</u>	<u>286,881</u>
Total Liabilities and Fund Balances	<u>\$ 239,549</u>	<u>\$ 83,959</u>	<u>\$ 6,648</u>	<u>\$ 7,718</u>	

**Reconciliation of the Governmental Fund's Balance Sheet to the Statement of Net Assets:**

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds

Governmental capital assets	\$ 341,824	
Less: Accumulated Depreciation	<u>75,342</u>	266,482

Deferred revenues reported in governmental funds are recognized as revenues in the governmental activities	<u>10,094</u>
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Net Assets of Governmental Activities	<u>\$ 563,457</u>
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The Notes to Financial Statements are an integral part of this statement.

**VILLAGE OF WOODLAND**  
**GOVERNMENTAL FUND STATEMENT OF**  
**REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**For the Year Ended December 31, 2005**

	<u>General</u>	<u>Major Streets</u>	<u>Local Streets</u>	<u>Parks</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>					
Taxes and Penalties	\$ 76,991	\$ -	\$ -	\$ 11,697	\$ 88,688
Licenses and Permits	633	-	-	-	633
State Grants	50,331	25,621	7,747	-	83,699
Interest and Rentals	7,205	383	12	2,850	10,450
Other Revenue	<u>11,413</u>	<u>-</u>	<u>-</u>	<u>1,273</u>	<u>12,686</u>
<b>Total Revenues</b>	<u>146,573</u>	<u>26,004</u>	<u>7,759</u>	<u>15,820</u>	<u>196,156</u>
<b>Expenditures</b>					
Current					
Legislative	11,249	-	-	-	11,249
General Government	7,689	-	-	-	7,689
Public Works	64,566	-	-	-	64,566
Recreation and Cultural	-	-	-	18,538	18,538
Streets and Highways	-	16,405	7,292	-	23,697
Other	29,841	-	-	-	29,841
Capital Outlay	<u>170,402</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>170,402</u>
<b>Total Expenditures</b>	<u>283,747</u>	<u>16,405</u>	<u>7,292</u>	<u>18,538</u>	<u>325,982</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>(137,174)</u>	<u>9,599</u>	<u>467</u>	<u>(2,718)</u>	<u>(129,826)</u>
<b>Other Financing Sources (Uses)</b>					
Operating Transfers In	5,000	-	-	6,500	11,500
Operating Transfers (Out)	<u>(6,500)</u>	<u>(5,000)</u>	<u>-</u>	<u>-</u>	<u>(11,500)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(1,500)</u>	<u>(5,000)</u>	<u>-</u>	<u>6,500</u>	<u>-</u>
<b>Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<u>(138,674)</u>	<u>4,599</u>	<u>467</u>	<u>3,782</u>	<u>(129,826)</u>
<b>Fund Balance-January 1, 2005</b>	<u>339,202</u>	<u>72,152</u>	<u>2,765</u>	<u>2,588</u>	<u>416,707</u>
<b>Fund Balance-December 31, 2005</b>	<u>\$ 200,528</u>	<u>\$ 76,751</u>	<u>\$ 3,232</u>	<u>\$ 6,370</u>	<u>\$ 286,881</u>

The Notes to Financial Statements are an integral part of this statement.

**VILLAGE OF WOODLAND**  
**RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE OF GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2005**

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<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ (129,826)</b>
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds	1,715
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives:

Expenditures for capital assets	\$ 183,261	
Less: Current year depreciation	<u>5,890</u>	<u>177,371</u>

Change in Net Assets of Governmental Funds	<u>\$ 49,260</u>
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The Notes to Financial Statements are an integral part of this statement.

**VILLAGE OF WOODLAND**  
**PROPRIETARY FUNDS STATEMENT OF NET ASSETS**  
**December 31, 2005**

	<u>Enterprise Funds Water System</u>	<u>Total</u>
<b><u>ASSETS</u></b>		
Investments	\$ 13,513	\$ 13,513
Receivables (Net)		
Accounts	356	356
Due From Other Funds	7,200	7,200
Capital Assets (Net of Accumulated Depreciation)	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 21,069</u>	<u>\$ 21,069</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
Liabilities		
Accounts Payable	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>
Net Assets		
Net Assets		
Investment in Capital Assets, Net of Related Debt	-	-
Restricted	-	-
Unrestricted	<u>21,069</u>	<u>21,069</u>
Total Net Assets	<u>21,069</u>	<u>21,069</u>
Total Liabilities and Net Assets	<u>\$ 21,069</u>	<u>\$ 21,069</u>

The Notes to Financial Statements are an integral part of this statement.

**VILLAGE OF WOODLAND**  
**PROPRIETARY FUNDS STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**For the Year Ended December 31, 2005**

	<u>Enterprise Funds Water System</u>	<u>Total</u>
Operating Revenues		
Charges for Services	\$ 1,593	\$ 1,593
Total Operating Revenues	<u>1,593</u>	<u>1,593</u>
Operating Expenses		
Salaries and Fringe Benefits	314	314
Miscellaneous	<u>104</u>	<u>104</u>
Total Operating Expenses	<u>418</u>	<u>418</u>
Operating Income	<u>1,175</u>	<u>1,175</u>
Nonoperating Revenues (Expenses)		
Interest Earned on Investments	<u>446</u>	<u>446</u>
Total Nonoperating Revenues (Expenses)	<u>446</u>	<u>446</u>
Change in Net Assets	1,621	1,621
Net Assets-Beginning	<u>19,448</u>	<u>19,448</u>
Net Assets-Ending	<u>\$ 21,069</u>	<u>\$ 21,069</u>

The Notes to Financial Statements are an integral part of this statement.

**VILLAGE OF WOODLAND**  
**PROPRIETARY FUNDS STATEMENT OF CASH FLOWS**  
For the Year Ended December 31, 2005

	<u>Enterprise Funds Water System</u>	<u>Total</u>
Cash Flows From Operating Activities:		
Cash Charges for Services	\$ 1,467	\$ 1,467
Cash Payments to Employees for Services	(314)	(314)
Cash Payments to Suppliers for Goods and Services	<u>(4,758)</u>	<u>(4,758)</u>
Net Cash Provided by Operating Activities	<u>(3,605)</u>	<u>(3,605)</u>
Cash Flows From Capital and Related Financing Activities:		
Capital Contributions	<u>-</u>	<u>-</u>
Net Cash Provided by Capital and Related Financing Activities	<u>-</u>	<u>-</u>
Cash Flows From Investing Activities:		
Interest Earned	446	446
Redeemed Investments	3,605	3,605
Purchase of Investments	<u>(446)</u>	<u>(446)</u>
Net Cash Provided (Used) by Investing Activities	<u>3,605</u>	<u>3,605</u>
Net Increase in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents at Beginning of the Year	<u>-</u>	<u>-</u>
Cash and Cash Equivalents at End of the Year	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income (Loss)	\$ 1,175	\$ 1,175
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Decrease (Increase) in Accounts Receivable	(125)	(125)
Decrease (Increase) in Due From Other Funds	<u>(4,655)</u>	<u>(4,655)</u>
Net Cash Provided by Operating Activities	<u>\$ (3,605)</u>	<u>\$ (3,605)</u>

The Notes to Financial Statements are an integral part of this statement.

**VILLAGE OF WOODLAND  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended December 31, 2005**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Village of Woodland conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the Village of Woodland:

In June 1999, the GASB issued Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments. Certain significant changes in the Statement include the following:

- A Management's Discussion and Analysis (MD&A) section providing an analysis of the Village's overall financial position and results of operations
- Financial statements prepared using full accrual accounting for all of the Village's activities

The Village of Woodland has elected to not prepare a Management Discussion and Analysis section, but other changes are reflected in the accompanying financial statements (including notes to the financial statements).

**REPORTING ENTITY**

The Village of Woodland is located in Barry County, Michigan. The Village Council is made up of nine members. The Village provides various services to its citizens including maintenance of Village streets and other property, water, and general Village administration. Education services are provided to citizens through several local school districts, which are separate governmental entities. Fire and ambulance service is provided by outside independently owned entities.

**GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (1) charges to customers who purchase, use or directly benefit from goods, services, or privileges provided by a given function; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenue.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**VILLAGE OF WOODLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2005**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

State grants, licenses and permits, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual; therefore, they have been recognized as revenue in the current fiscal period. All other revenues are considered to be measurable only when cash is received by the Village.

Taxes Receivable - The Village property tax is levied on each July 1<sup>st</sup> based on the taxable valuation of property located in the Village as of the preceding December 31<sup>st</sup>. These taxes are due on August 31<sup>st</sup> with the final collection date of September 15<sup>th</sup> before they are added to county delinquent tax rolls.

It is the Village's policy to recognize revenue from the current tax levy in the year when the proceeds of this levy are budgeted and made "available" for the financing of operations. "Available" means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (60 days).

The 2005 State taxable valuation of the Village totaled \$6,609,265 on which ad valorem taxes levied consisted of 7.7691 mills for Village operating purposes, 1.8283 mills for Village parks, 2.0568 mills for sidewalks and 1.9299 mills for equipment, raising \$51,348 for operating, \$12,084 for parks, \$13,594 for sidewalks and \$12,755 for equipment. The amounts recognized in the General Fund financial statements as current property tax revenue represent 2005 taxes collected and 2004 delinquent taxes collected in the current fiscal year.

The Village reports the following major governmental funds:

- The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues are primarily derived from property taxes and state shared revenue.
- The Major Street Fund accounts for the maintenance of all major streets and trunk lines. Financing is provided by special revenues from provisions of Act 51 of 1951 as amended.
- The Local Street Fund accounts for the maintenance of all local streets. Financing is provided by special revenues from provisions of Act 51 of 1951 as amended.
- The Park Fund accounts for the maintenance of the Village's park.

The Village reports the following major proprietary fund:

- The Water Fund accounts for the operation and maintenance of the water supply system, capital additions, and retirement of revenue bonds. Financing is provided by user charges and contributions by other funds and customers.

Private-sector standards of accounting issued prior to December 1, 1989, are generally followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with the standards of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private sector guidance for their business-type activities and enterprise funds, subject to the same limitations. The Village has elected not to follow private-sector standards.



**VILLAGE OF WOODLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2005**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION**  
**(Continued)**

Amounts reported as program revenue include: (1) charges to customers or applicants for goods, services or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenue includes all taxes.

Proprietary funds distinguish operating revenue and expenses from non-operating items. Operating revenue and expenses generally result from providing services and producing and delivering products in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of our proprietary funds relate to charges to customers for sales and services. The water fund also recognizes the portion of tap fees intended to recover current cost (e.g., labor and materials to hook up new customers) as operating revenue. The portion intended to recover the cost of the infrastructure is recognized as nonoperating revenue. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenue and expenses.

**CASH, CASH EQUIVALENTS AND INVESTMENTS**

For the purpose of the statement of cash flows, demand deposits and short-term investments with a maturity of three months or less when acquired are considered to be cash equivalents. In addition, the statement of cash flows includes both restricted and unrestricted cash and cash equivalents.

**ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY**

Bank Deposits and Investments - Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

Receivables and Payables - In general, outstanding balances between funds are reported as "due to/from other funds." Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "advances to/from other funds." Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown as net of allowance for uncollectible amounts. Property taxes are levied on each July 1<sup>st</sup> based on the taxable valuation of property located in the Village as of the preceding December 31<sup>st</sup>. These taxes are due on August 31 with the final collection date of September 15. After that date, they are added to the county's delinquent tax rolls.

The delinquent real property taxes of the Village are purchased by Barry County. These taxes have been recorded as deferred revenue in the fund financial statements for the current year since they are not available to fund expenditures of the current period.

Designated Assets - The Village has designated assets for equipment. By designating a portion of fund balance for a specific purpose, the Village Council has established a policy that the amounts designated are to be used for a specific purpose. The Village Council can change the amounts so designated if they desire.

**VILLAGE OF WOODLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2005**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY (Continued)**

Capital Assets - Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Property, plant and equipment is depreciated using the straight-line method over the following useful lives:

General Assets

Buildings	40 years
Furniture	10 years
Equipment	7 years
Data Processing Equipment	5 years

Infrastructure Assets

Roads, Sidewalks	8 to 30 years
Drains, Curbs, Gutters	8 to 40 years

Fund Equity - In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Budgetary Information - Budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. This basis is consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for all required governmental fund types. The Village Board prepares the annual budgets prior to February 28. A Public Hearing is conducted to obtain taxpayers' comments. The budget documents present information by fund, function, department and line items. The legal level of budgetary control adopted by the governing body is at the line item level.

P.A. 621 of 1978, section 18(1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

**VILLAGE OF WOODLAND  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended December 31, 2005**

**EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETED FUNDS**

During the year ended December 31, 2005, the Village incurred expenditures in certain budgeted funds, which were in excess of the amounts appropriated, as follows:

<b>FUND</b>	<b>BUDGET APPROPRIATION</b>	<b>ACTUAL EXPENDITURE</b>	<b>BUDGET VARIANCE</b>
General Fund:			
Legislative:			
Salaries	\$ 6,735	\$ 7,715	\$ 980
Membership Dues	\$ 100	\$ 1,070	\$ 970
General Government:			
Treasurer:			
Supplies	\$ 200	\$ 512	\$ 312
Public Works:			
Garage and Maintenance:			
Wages	\$ 21,000	\$ 25,414	\$ 4,414
Gas and Oil	\$ 1,100	\$ 1,233	\$ 133
Maintenance and Repairs	\$ 3,900	\$ 10,489	\$ 6,589
Capital Outlay	\$ 10,500	\$ 170,402	\$ 159,902
Sidewalks:			
Contracted Services	\$ 9,500	\$ 12,859	\$ 3,359
Other:			
Multi-Peril Insurance	\$ 12,000	\$ 12,098	\$ 98
Payroll Taxes	\$ 4,100	\$ 4,311	\$ 211
Major Street Fund:			
Street Routine Maintenance	\$ 3,400	\$ 3,903	\$ 503
Street Winter Maintenance	\$ 4,300	\$ 6,208	\$ 1,908
Traffic Service	\$ 3,000	\$ 3,571	\$ 571
Fringes and Insurance	\$ 2,200	\$ 2,723	\$ 523
Local Street Fund:			
Street Winter Maintenance	\$ 2,000	\$ 3,901	\$ 1,901
Traffic Service	\$ 1,700	\$ 1,835	\$ 135
Parks Fund:			
Fringes and Insurance	\$ 1,500	\$ 4,085	\$ 2,585
Maintenance and Repairs	\$ 1,500	\$ 2,085	\$ 585

**ENCUMBRANCE ACCOUNTING**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Village of Woodland.

**USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**VILLAGE OF WOODLAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2005**

**DEPOSITS AND INVESTMENTS**

Michigan Compiled Laws Section 129.91, authorizes the Village to make deposits and invest in the accounts of federally insured banks, credit unions and savings and loan associations; bonds, securities and other direct obligations of the United States, or any agency or instrumentality of the United States; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; commercial paper rated by two standard rating agencies within the two highest classifications, which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan.

The Village has designated one bank for the deposit of the Village of Woodland funds.

The Village's deposits and investments are in accordance with statutory authority.

At year-end, the Village's deposits and investments were reported in the basic financial statements in the following categories:

	<b><u>GOVERNMENTAL ACTIVITIES</u></b>	<b><u>BUSINESS-TYPE ACTIVITIES</u></b>	<b><u>TOTAL PRIMARY GOVERNMENT</u></b>
Cash and Cash Equivalents	\$ 287,962	\$ -	\$ 287,962
Investments	-	13,513	13,513
Restricted Assets	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 287,962</u>	<u>\$ 13,513</u>	<u>\$ 301,475</u>

The breakdown between deposits and investments is as follows:

	<b><u>PRIMARY GOVERNMENT</u></b>
Bank Deposits	\$ 301,475
(Checking and Savings Accounts, Certificates of Deposit)	
Investment in Securities	-
(Mutual Funds and Similar Vehicles)	
Petty Cash and Cash on Hand	<u>-</u>
Total	<u>\$ 301,475</u>

At December 31, 2005, the Village had deposits with a carrying amount of \$301,475 and a bank balance of \$330,267. Of the bank balance, \$100,000 is covered by federal depository insurance, \$230,267 is uninsured and \$0 is collateralized.

**VILLAGE OF WOODLAND  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended December 31, 2005**

**CAPITAL ASSETS**

Capital asset activity of the primary government for the current year was as follows:

	<b><u>BEGINNING BALANCE</u></b>	<b><u>INCREASES</u></b>	<b><u>DECREASES</u></b>	<b><u>ADJUST- MENTS</u></b>	<b><u>ENDING BALANCE</u></b>
<b>Governmental Activities</b>					
Capital Assets not Being Depreciated					
Land	\$ 1,000	\$ 383	\$ -	\$ 2,000	\$ 3,383
Subtotal	<u>1,000</u>	<u>383</u>	<u>-</u>	<u>2,000</u>	<u>3,383</u>
Capital Assets Being Depreciated					
Buildings	123,530	140,901	41,618	(20,000)	202,813
Land Improvements	31,800	-	-	-	31,800
Equipment	58,872	29,118	-	570	88,560
Data Processing Equipment	3,569	-	-	(1,160)	2,409
Infrastructure	<u>-</u>	<u>12,859</u>	<u>-</u>	<u>-</u>	<u>12,859</u>
Subtotal	<u>217,771</u>	<u>182,878</u>	<u>41,618</u>	<u>(20,590)</u>	<u>338,441</u>
Less Accumulated Depreciation for					
Buildings	17,594	1,565	-	-	19,159
Land Improvements	5,686	1,352	-	-	7,038
Equipment	45,373	2,301	-	-	47,674
Data Processing Equipment	799	458	-	-	1,257
Infrastructure	<u>-</u>	<u>214</u>	<u>-</u>	<u>-</u>	<u>214</u>
Subtotal	<u>69,452</u>	<u>5,890</u>	<u>-</u>	<u>-</u>	<u>75,342</u>
Net Capital Assets Being Depreciated	<u>148,319</u>	<u>176,988</u>	<u>41,618</u>	<u>(20,590)</u>	<u>263,099</u>
Governmental Activities Total					
Capital Assets-Net of Depreciation	<u>\$ 149,319</u>	<u>\$ 177,371</u>	<u>\$ 41,618</u>	<u>\$ (18,590)</u>	<u>\$ 266,482</u>

The adjustments above reflect corrections made during the current year to adjust the carrying balances to the Village's actual physical asset listing and eliminate all assets under the Village's cost threshold of \$1,000.

**VILLAGE OF WOODLAND  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended December 31, 2005**

**CAPITAL ASSETS (Continued)**

	<b><u>BEGINNING BALANCE</u></b>	<b><u>INCREASES</u></b>	<b><u>DECREASES</u></b>	<b><u>ENDING BALANCE</u></b>
<b>Business-Type Activities</b>				
Capital Assets not Being Depreciated				
Land	\$ -	\$ -	\$ -	\$ -
Subtotal	-	-	-	-
Capital Assets Being Depreciated				
Equipment	2,873	-	-	2,873
Subtotal	2,873	-	-	2,873
Less Accumulated Depreciation for Equipment	2,873	-	-	2,873
Subtotal	2,873	-	-	2,873
Net Capital Assets Being Depreciated	-	-	-	-
Business-Type Activities Total Capital Assets-Net of Depreciation	\$ -	\$ -	\$ -	\$ -

Depreciation expense was charged to programs of the Village as follows:

Governmental Activities	
General Government	\$ 784
Public Works	2,515
Recreation and Cultural	2,591
Total Government Activities	<u>\$ 5,890</u>
Business-Type Activities	
Water	\$ -
Total Business-Type Activities	<u>\$ -</u>

**VILLAGE OF WOODLAND  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended December 31, 2005**

**INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

The composition of interfund balances is as follows:

<u>FUND</u>	<u>INTERFUND RECEIVABLES</u>	<u>FUND</u>	<u>INTERFUND PAYABLES</u>
General	\$ 10,352	General	\$ 13,570
Local Streets	272	Major Streets	7,208
Park	6,370	Local Streets	<u>3,416</u>
Water System	<u>7,200</u>		
	\$ <u>24,194</u>		\$ <u>24,194</u>
<u>FUND</u>	<u>TRANSFERS IN</u>	<u>FUND</u>	<u>TRANSFERS OUT</u>
General	\$ 5,000	General	\$ 6,500
Park	<u>6,500</u>	Major Streets	<u>5,000</u>
	\$ <u>11,500</u>		\$ <u>11,500</u>

The transfers to the General Fund represent restricted revenues collected in the Road Fund to pay for operational costs of the public works, accounted for in the General Fund.

**RISK MANAGEMENT**

The Village is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village manages its risk exposure and provides certain employee benefits through a combination of risk management pools and commercial insurance.

The Village participates in the Michigan Municipal League for general and automobile liability, motor vehicle physical damage, property damage, and workers compensation coverages. The Michigan Municipal Liability and Property Pool were established pursuant to laws of the State of Michigan which authorizes local units of government to jointly exercise any power, privilege or authority which each might exercise separately. The purpose of the pool is to jointly exercise powers common to each participating member to establish and administer a risk management program; to prevent or lessen the incidence and severity of casualty losses occurring in the operation of its members; and to defend and protect any member of the authority against liability or loss.

The Michigan Municipal Liability and Property Pool, while it operates under the Michigan Legislation of Public Act 138, does not operate as a risk pool due to a total transfer of risk to reinsurance companies backing the Michigan Municipal Liability and Property Pool. Due to this reinsurance purchase, there is no pooling of risk between members.

The Michigan Municipal Liability and Property Pool chose to adopt the forms and endorsements of conventional insurance protection and to reinsure these coverages 100%, rather than utilize a risk pool of member funds to pay individual and collective losses up to a given retention, and then have reinsurance above that retention amount.

The individual members are responsible for their self-retention amounts (deductibles) that vary from member to member.

**VILLAGE OF WOODLAND  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended December 31, 2005**

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**RISK MANAGEMENT (Continued)**

The Village also provides employee benefits through the Michigan Municipal League with programs underwritten by commercial insurance carriers.

At December 31, 2005, there were no claims, which exceeded insurance coverage. The Village had no significant reduction in insurance coverage from previous years.



**VILLAGE OF WOODLAND**  
**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**  
**For the Year Ended Decemver 31, 2005**

	<u>ORIGINAL BUDGET</u>	<u>AMENDED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH AMENDED BUDGET</u>
Beginning of Year Fund Balance	\$ 339,202	\$ 339,202	\$ 339,202	\$ -
Resources (Inflows)				
Taxes and Penalties	72,550	72,550	76,991	4,441
Licenses and Permits	950	950	633	(317)
State Grants	45,000	45,000	50,331	5,331
Interest and Rentals	3,300	3,300	7,205	3,905
Other Revenue	<u>500</u>	<u>500</u>	<u>11,413</u>	<u>10,913</u>
Total Resources	<u>122,300</u>	<u>122,300</u>	<u>146,573</u>	<u>24,273</u>
Charges to Appropriations (Outflows)				
Legislative	10,535	10,535	11,249	(714)
General Government				
President	2,650	2,650	2,590	60
Elections	600	600	-	600
Assessor	750	750	650	100
Clerk	1,100	1,100	922	178
Treasurer	3,300	3,300	3,527	(227)
Public Works				
Garage and Maintenance	39,150	39,150	44,565	(5,415)
Sidewalk Replacement	9,500	9,500	12,859	(3,359)
Street Lighting	7,500	7,500	7,142	358
Other				
Insurance, Bonds and Fringes	32,474	32,474	29,841	2,633
Capital Outlay	<u>10,500</u>	<u>10,500</u>	<u>170,402</u>	<u>(159,902)</u>
Total Charges to Appropriations	<u>118,059</u>	<u>118,059</u>	<u>283,747</u>	<u>(165,688)</u>
Excess of Resources Over (Under) Appropriations	<u>4,241</u>	<u>4,241</u>	<u>(137,174)</u>	<u>(141,415)</u>
Other Financing Sources (Uses)				
Operating Transfers In	5,000	5,000	5,000	-
Operating Transfers (Out)	<u>(6,500)</u>	<u>(6,500)</u>	<u>(6,500)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(1,500)</u>	<u>(1,500)</u>	<u>(1,500)</u>	<u>-</u>
Excess of Resources and Other Sources Over (Under) Appropriations and Other Uses	<u>2,741</u>	<u>2,741</u>	<u>(138,674)</u>	<u>(141,415)</u>
Budgetary Fund Balance - December 31, 2005	<u>\$ 341,943</u>	<u>\$ 341,943</u>	<u>\$ 200,528</u>	<u>\$ (141,415)</u>

**VILLAGE OF WOODLAND**  
**BUDGETARY COMPARISON SCHEDULE - MAJOR STREET FUND**  
**For the Year Ended December 31, 2005**

	<u>ORIGINAL BUDGET</u>	<u>AMENDED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH AMENDED BUDGET</u>
Beginning of Year Fund Balance	\$ 72,152	\$ 72,152	\$ 72,152	\$ -
Resources (Inflows)				
State Grants	21,000	21,000	25,621	4,621
Interest and Rentals	<u>25</u>	<u>25</u>	<u>383</u>	<u>358</u>
Total Resources	<u>21,025</u>	<u>21,025</u>	<u>26,004</u>	<u>4,979</u>
Charges to Appropriations (Outflows)				
Public Works				
Street Routine Maintenance	3,400	3,400	3,903	(503)
Street Winter Maintenance	4,300	4,300	6,208	(1,908)
Traffic Services	3,000	3,000	3,571	(571)
Fringes and Insurance	<u>2,200</u>	<u>2,200</u>	<u>2,723</u>	<u>(523)</u>
Total Charges to Appropriations	<u>12,900</u>	<u>12,900</u>	<u>16,405</u>	<u>(3,505)</u>
Excess of Resources Over (Under) Appropriations	<u>8,125</u>	<u>8,125</u>	<u>9,599</u>	<u>1,474</u>
Other Financing Sources (Uses):				
Operating Transfers In	-	-	-	-
Operating Transfers (Out)	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>
Excess of Resources and Other Sources Over (Under) Appropriations and Other Uses	<u>3,125</u>	<u>3,125</u>	<u>4,599</u>	<u>1,474</u>
Budgetary Fund Balance - December 31, 2005	<u>\$ 75,277</u>	<u>\$ 75,277</u>	<u>\$ 76,751</u>	<u>\$ 1,474</u>

**VILLAGE OF WOODLAND**  
**BUDGETARY COMPARISON SCHEDULE - LOCAL STREET FUND**  
**For the Year Ended December 31, 2005**

	<u>ORIGINAL BUDGET</u>	<u>AMENDED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH AMENDED BUDGET</u>
Beginning of Year Fund Balance	\$ 2,765	\$ 2,765	\$ 2,765	\$ -
Resources (Inflows)				
State Grants	6,500	6,500	7,747	1,247
Interest and Rentals	<u>-</u>	<u>-</u>	<u>12</u>	<u>12</u>
Total Resources	<u>6,500</u>	<u>6,500</u>	<u>7,759</u>	<u>1,259</u>
Charges to Appropriations (Outflows)				
Public Works				
Street Routine Maintenance	2,300	2,300	1,167	1,133
Street Winter Maintenance	2,000	2,000	3,901	(1,901)
Traffic Services	1,700	1,700	1,835	(135)
Fringes and Insurance	<u>400</u>	<u>400</u>	<u>389</u>	<u>11</u>
Total Charges to Appropriations	<u>6,400</u>	<u>6,400</u>	<u>7,292</u>	<u>(892)</u>
Excess of Resources Over (Under) Appropriations	<u>100</u>	<u>100</u>	<u>467</u>	<u>367</u>
Other Financing Sources (Uses):				
Operating Transfers In	-	-	-	-
Operating Transfers (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Resources and Other Sources Over (Under) Appropriations and Other Uses	<u>100</u>	<u>100</u>	<u>467</u>	<u>367</u>
Budgetary Fund Balance - December 31, 2005	<u>\$ 2,865</u>	<u>\$ 2,865</u>	<u>\$ 3,232</u>	<u>\$ 367</u>

**VILLAGE OF WOODLAND**  
**BUDGETARY COMPARISON SCHEDULE - PARKS FUND**  
**For the Year Ended December 31, 2005**

	<b>ORIGINAL BUDGET</b>	<b>AMENDED BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE WITH AMENDED BUDGET</b>
Beginning of Year Fund Balance	\$ 2,588	\$ 2,588	\$ 2,588	\$ -
Resources (Inflows)				
Taxes and Penalties	9,000	9,000	11,697	2,697
Interest and Rentals	2,300	2,300	2,850	550
Other Revenue	<u>1,150</u>	<u>1,150</u>	<u>1,273</u>	<u>123</u>
Total Resources	<u>12,450</u>	<u>12,450</u>	<u>15,820</u>	<u>3,370</u>
Charges to Appropriations (Outflows)				
Recreation and Culture				
Wages	9,700	9,700	8,573	1,127
Fringes and Insurance	1,500	1,500	4,085	(2,585)
Utilities	1,400	1,400	995	405
Maintenance and Repairs	1,500	1,500	2,085	(585)
Equipment Rental	3,000	3,000	2,800	200
Miscellaneous	500	500	-	500
Capital Outlay	<u>1,350</u>	<u>1,350</u>	<u>-</u>	<u>1,350</u>
Total Charges to Appropriations	<u>18,950</u>	<u>18,950</u>	<u>18,538</u>	<u>412</u>
Excess of Resources Over (Under) Appropriations	<u>(6,500)</u>	<u>(6,500)</u>	<u>(2,718)</u>	<u>-</u>
Other Financing Sources (Uses):				
Operating Transfers In	6,500	6,500	6,500	-
Operating Transfers (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>6,500</u>	<u>6,500</u>	<u>6,500</u>	<u>-</u>
Excess of Resources and Other Sources Over (Under) Appropriations and Other Uses	<u>-</u>	<u>-</u>	<u>3,782</u>	<u>3,782</u>
Budgetary Fund Balance - December 31, 2005	<u>\$ 2,588</u>	<u>\$ 2,588</u>	<u>\$ 6,370</u>	<u>\$ 3,782</u>

**VILLAGE OF WOODLAND**  
**COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS**  
**December 31, 2005**

<b>ASSETS</b>	<b>MAJOR STREETS</b>	<b>LOCAL STREETS</b>	<b>PARKS</b>	<b>TOTAL</b>
Cash and Cash Equivalents	\$ 80,001	\$ 5,179	\$ -	\$ 85,180
Receivables				
Taxes - Delinquent	-	-	1,348	1,348
Due From State	3,958	1,197	-	5,155
Due From Other Funds	-	272	6,370	6,642
Total Assets	<u>\$ 83,959</u>	<u>\$ 6,648</u>	<u>\$ 7,718</u>	<u>\$ 98,325</u>
<b>LIABILITIES AND FUND EQUITY</b>				
Liabilities				
Due to Other Funds	\$ 7,208	\$ 3,416	\$ -	\$ 10,624
Deferred Revenue	-	-	1,348	1,348
Total Liabilities	<u>7,208</u>	<u>3,416</u>	<u>1,348</u>	<u>11,972</u>
Fund Equity				
Fund Balance				
Unreserved - Undesignated	<u>76,751</u>	<u>3,232</u>	<u>6,370</u>	<u>86,353</u>
Total Fund Equity	<u>76,751</u>	<u>3,232</u>	<u>6,370</u>	<u>86,353</u>
Total Liabilities and Fund Equity	<u>\$ 83,959</u>	<u>\$ 6,648</u>	<u>\$ 7,718</u>	<u>\$ 98,325</u>

**VILLAGE OF WOODLAND**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS**  
**For the Year Ended December 31, 2005**

	<b>MAJOR STREETS</b>	<b>LOCAL STREETS</b>	<b>PARKS</b>	<b>TOTAL</b>
<b>Revenues</b>				
Taxes and Penalties	\$ -	\$ -	\$ 11,697	\$ 11,697
State Grants	25,621	7,747	-	33,368
Interest and Rentals	383	12	2,850	3,245
Other Revenue	-	-	1,273	1,273
<b>Total Revenues</b>	<b>26,004</b>	<b>7,759</b>	<b>15,820</b>	<b>49,583</b>
<b>Expenditures</b>				
Current				
Public Works				
Street Routine Maintenance	3,903	1,167	-	5,070
Street Winter Maintenance	6,208	3,901	-	10,109
Traffic	3,571	1,835	-	5,406
Fringes and Insurance	2,723	389	-	3,112
Recreational and Cultural				
Parks				
Wages	-	-	8,573	8,573
Fringes and Insurance	-	-	4,085	4,085
Utilities	-	-	995	995
Maintenance and Repairs	-	-	2,085	2,085
Equipment Rental	-	-	2,800	2,800
<b>Total Expenditures</b>	<b>16,405</b>	<b>7,292</b>	<b>18,538</b>	<b>42,235</b>
<b>Excess of Revenues Over (Under)</b>				
Expenditures	9,599	467	(2,718)	7,348
<b>Other Financing Sources (Uses)</b>				
Operating Transfers In	-	-	6,500	6,500
Operating Transfers (Out)	(5,000)	-	-	(5,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(5,000)</b>	<b>-</b>	<b>6,500</b>	<b>1,500</b>
<b>Excess of Revenues and Other Sources Over</b>				
<b>(Under) Expenditures and Other Uses</b>	<b>4,599</b>	<b>467</b>	<b>3,782</b>	<b>8,848</b>
<b>Fund Balance-January 1, 2005</b>	<b>72,152</b>	<b>2,765</b>	<b>2,588</b>	<b>77,505</b>
<b>Fund Balance-December 31, 2005</b>	<b>\$ 76,751</b>	<b>\$ 3,232</b>	<b>\$ 6,370</b>	<b>\$ 86,353</b>

**VILLAGE OF WOODLAND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND**  
**For the Year Ended December 31, 2005**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b><u>Revenues</u></b>			
Taxes and Penalties			
Property Taxes	\$ 71,900	\$ 76,309	\$ 4,409
Property Tax Administration Fee	650	682	32
Total Taxes and Penalties	<u>72,550</u>	<u>76,991</u>	<u>4,441</u>
Licenses and Permits			
Cable TV Fees	<u>950</u>	<u>633</u>	<u>(317)</u>
Total Licenses and Permits	<u>950</u>	<u>633</u>	<u>(317)</u>
State Grants			
State Revenue Sharing:			
Sales Tax	<u>45,000</u>	<u>50,331</u>	<u>5,331</u>
Total State Grants	<u>45,000</u>	<u>50,331</u>	<u>5,331</u>
Interest and Rentals			
Interest	<u>3,300</u>	<u>7,205</u>	<u>3,905</u>
Total Interest and Rentals	<u>3,300</u>	<u>7,205</u>	<u>3,905</u>
Other Revenue			
Miscellaneous	500	4,126	3,626
Equipment Rental	-	6,979	6,979
Refunds and Rebates	<u>-</u>	<u>308</u>	<u>308</u>
Total Other Revenue	<u>500</u>	<u>11,413</u>	<u>10,913</u>
Total Revenues	<u>122,300</u>	<u>146,573</u>	<u>24,273</u>
<b><u>Expenditures</u></b>			
<b>Legislative:</b>			
Salaries - Village Council	6,735	7,715	(980)
Professional Services	3,000	2,150	850
Printing and Publishing	200	99	101
Membership Dues	100	1,070	(970)
Miscellaneous	<u>500</u>	<u>215</u>	<u>285</u>
Total Legislative	<u>10,535</u>	<u>11,249</u>	<u>(714)</u>
<b>General Government:</b>			
Village President:			
Salary	2,200	2,200	-
Mileage	350	314	36
Supplies	<u>100</u>	<u>76</u>	<u>24</u>
Total Village President	<u>2,650</u>	<u>2,590</u>	<u>36</u>

**VILLAGE OF WOODLAND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND (Continued)**  
**For the Year Ended December 31, 2005**

<u>Expenditures (Continued)</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>General Government (Continued):</b>			
Elections:			
Supplies	300	-	300
Printing and Publishing	300	-	300
Total Elections	<u>600</u>	<u>-</u>	<u>600</u>
Assessor:			
Salary	750	650	100
Total Assessor	<u>750</u>	<u>650</u>	<u>100</u>
Clerk:			
Salary	750	750	-
Supplies	200	172	28
Printing and Publishing	100	-	100
Mileage	50	-	50
Total Clerk	<u>1,100</u>	<u>922</u>	<u>178</u>
Treasurer:			
Salary	3,000	3,000	-
Supplies	200	512	(312)
Mileage	100	15	85
Total Treasurer	<u>3,300</u>	<u>3,527</u>	<u>(227)</u>
Total General Government	<u>8,400</u>	<u>7,689</u>	<u>711</u>
<b>Public Works:</b>			
Garage and Maintenance:			
Wages	21,000	25,414	(4,414)
Contracted Services	4,000	1,635	2,365
Gas and Oil	1,100	1,233	(133)
Utilities	3,150	2,069	1,081
Maintenance and Repairs	3,900	10,489	(6,589)
Spring Clean Up Day	3,200	2,191	1,009
Miscellaneous	2,800	1,534	1,266
Capital Outlay	10,500	170,402	(159,902)
Total Garage and Maintenance	<u>49,650</u>	<u>214,967</u>	<u>(165,317)</u>
Sidewalks:			
Contracted Services	9,500	12,859	(3,359)
Total Sidewalks	<u>9,500</u>	<u>12,859</u>	<u>(3,359)</u>



**VILLAGE OF WOODLAND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND (Continued)**  
**For the Year Ended December 31, 2005**

<u>Expenditures (Continued)</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>Public Works (Continued):</b>			
Street Lighting:			
Utilities	7,500	7,142	358
Total Street Lighting	7,500	7,142	358
Total Public Works	66,650	234,968	(168,318)
<b>Other:</b>			
Insurance, Bonds and Fringes:			
Multi-Peril Insurance	12,000	12,098	(98)
Clothing Allowance	750	750	-
Christmas Bonus	500	484	16
Longevity Pay	600	323	277
Employee Insurance	11,000	9,714	1,286
Workers Compensation Insurance	1,400	906	494
Health Reimbursement	1,924	1,238	686
Payroll Taxes	4,100	4,311	(211)
Miscellaneous	200	17	183
Total Insurance, Bonds and Fringes	32,474	29,841	2,633
Total Other	32,474	29,841	2,633
Total Expenditures	118,059	283,747	(165,688)
Excess of Revenues Over Expenditures	4,241	(137,174)	(141,415)
<b>Other Financing Sources (Uses):</b>			
Operating Transfers In	5,000	5,000	-
Operating Transfers (Out)	(6,500)	(6,500)	-
Total Other Financing Sources (Uses)	(1,500)	(1,500)	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	2,741	(138,674)	(141,415)
Fund Balance-January 1, 2005	339,202	339,202	-
Fund Balance-December 31, 2005	\$ 341,943	\$ 200,528	\$ (141,415)